
HOUSE COMMITTEE AMENDMENTS

2016 Regular Session

Substitute for Original House Bill No. 1110 by Representative Broadwater as proposed by the House Committee on Ways and Means

This document reflects the content of a substitute bill but is not in a bill form; page numbers in this document DO NOT correspond to page numbers in the substitute bill itself.

To enact Chapter 5 of Subtitle VII of Title 47 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 47:6361, relative to payment in lieu of tax agreements; to authorize certain governmental authorities to enter into cooperative endeavor agreements with parties in exchange for certain transportation investments; to authorize certain governmental authorities to provide for payments in lieu of taxes in exchange for certain transportation investments; to require the approval of certain cooperative endeavor agreements; to require certain information to be included in the cooperative endeavor agreements; to provide for limitations; to require the promulgation of rules and regulations; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Chapter 5 of Subtitle VII of Title 47 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 47:6361 is hereby enacted to read as follows:

CHAPTER 5. PAYMENTS IN LIEU OF TAXES IN CONNECTION WITH
TRANSPORTATION INVESTMENTS

§6361.Cooperative Endeavor Agreements and Payment in Lieu of Tax Agreements;
transportation investments

A.(1) The state of Louisiana and its political subdivisions or political corporations may enter into cooperative endeavor agreements with each other, with the United States or its agencies, or with any public or private association, or corporation to negotiate payments in lieu of taxes to be paid by private corporate taxpayers, where the payments take the form of investment by the private corporate taxpayer in transportation projects that benefit the state, local governments, and the private corporate taxpayer.

(2) Prior to the state entering into any cooperative endeavor agreement for state funds to be used for the project authorized pursuant to the provisions of this Section, the cooperative endeavor agreement shall be approved by the House Ways and Means Committee meeting jointly with the Senate Revenue and Fiscal Affairs Committee and the House Transportation, Highways, and Public Works Committee meeting jointly with the Senate Transportation, Highways and Public Works Committee.

(3) Any cooperative endeavor agreement authorized pursuant to the provisions of this Section shall include the following provisions:

(a) A statement of the public purpose served by the agreement, including a detailed description of the transportation project to which the private corporate taxpayer's investment shall be applied.

(b) Unless the project has already been included in a state priority program, a conceptual design of the transportation project including all proposed interconnections with existing or planned transportation projects and facilities.

(c) A feasibility study for the project.

(d) The proposed date for acquisition, construction, or improvement of the transportation project.

(e) The terms of any payment in lieu of tax agreement agreed to between the parties of the cooperative endeavor agreement that the parties accept in exchange for the private corporate taxpayer's investment in the transportation project.

(f) An economic impact statement that justifies the terms of the cooperative endeavor agreement.

(g) If the taxpayer, not the public entity, constructs the transportation project, commitments that the taxpayer shall donate the completed transportation project to the appropriate public entity after its suitable completion, and a commitment that the public entity shall accept the completed project.

(h) If the taxpayer commits funds to a public transportation project, the amount of funds to be committed by the taxpayer to the transportation project and

the time or times at which the funds shall be paid to the public entity constructing the project.

(i) Identification of any affected state or local jurisdiction that is not a party to the agreement and documentation that the jurisdiction has received a copy of the cooperative endeavor agreement and has no objection to the transportation project.

B. The secretary of the Department of Transportation and Development in cooperation with the secretary of the Department of Revenue shall promulgate rules and regulations in accordance with the provisions of the Administrative Procedure Act to implement the provisions of this Section.

Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB Draft

2016 Regular Session

Abstract: Authorizes state and local governments to enter into cooperative endeavor agreements with public or private investors which provide for investments in transportation projects in lieu of state and local taxes.

Proposed law authorizes the state, its political subdivisions, and political corporations to enter into cooperative endeavor agreements (CEA) with each other, the U. S. government, or with any public or private association or corporation to negotiate payments in lieu of taxes to be paid by private corporate taxpayers, where the payments take the form of investment by the taxpayer in transportation projects that benefit state and local governments and the private corporate taxpayer.

Proposed law requires that prior to the state entering into any CEA that requires state funds to be used for a transportation project, that the CEA be approved by the House Ways and Means Committee meeting jointly with the Senate Revenue and Fiscal Affairs Committee and the House and Senate Transportation, Highways, and Public Works Committees meeting jointly.

Proposed law requires the CEA to contain the following provisions:

- (1) A statement of the public purpose served by the agreement, including a detailed description of the transportation project to which the private corporate taxpayer's investment shall be applied.

- (2) Unless the project has already been included in a state priority program, a conceptual design of the transportation project including proposed interconnections with existing or planned transportation facilities.
- (3) A feasibility study for the project.
- (4) The proposed date for acquisition, construction, or improvement of the transportation project.
- (5) The terms of any payment in lieu of tax agreement agreed to between the parties of the CEA that the parties accept in exchange for the private taxpayer's investment in the transportation project.
- (6) An economic impact statement that justifies the terms of the CEA.
- (7) Commitments that the taxpayer donate the completed transportation project to the appropriate public entity after its completion and that the public entity shall accept the completed project.
- (8) The funds committed by the taxpayer to the transportation project and the timing of the funds being paid to the public entity constructing the project.
- (9) Identification of any state or local jurisdiction not a party to the CEA and documentation that the jurisdiction received a copy of the CEA and does not object to the project.

Proposed law requires DOTD, in cooperation with the Dept. of Revenue to promulgate rules in accordance with the APA to implement proposed law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 47:6361)